Chris Sparks

28th February 2015

National Disability Insurance Agency
GPO Box 700
CANBERRA ACT 2601
Sent via email to engagement@ndis.gov.au

Dear Sir/Madam,

Feedback on the NDIA discussion paper "Towards Solutions for Assistive Technology"

I have been a wheelchair user since 1964 and have extensive experience in all aspects of the assistive technology (AT) supply chain including manufacturing, international sourcing and importation, compliance, distribution and the many facets of AT retailing. I work part-time as the Executive Officer of Assistive Technology Suppliers Australasia Inc (www.atsa.org.au) and am a minority shareholder and director of Seating Dynamics Pty Ltd (www.seatingdynamics.com.au). I have also participated as part of the NDIA's AT Sector Reference Group, am a past Vice-Chairman of Northcott Disability Services, past Chairman of NSW Wheelchair Sports and a current member of the NSW Disability Council.

This response purely canvasses my personal views and is in no way representative of any of the organisations or businesses that I am associated with.

For decades I have campaigned for equity and inclusion for people with disability and the provision of basic supports that allow us to maximise our life opportunities and live life to the fullest. I have witnessed first hand the frequent failures, unfairness and gross inefficiencies of the paternalistic, block funded approach to disability services that for decades has been the unfortunate landscape of the Australian disability sector.

Throughout the 90s, along with my two partners (both of whom also had a disability) I ran an innovative AT retailing business that specialised in complex mobility and seating. During this period I was involved with more than 1,000 AT trials and setups and our business developed a dedicated customer base that chose to source from us, based on their experience of our products and customer care. We competed openly against other similar businesses many of which were also operated by people with disability. Our reputation with long term customers and allied health practitioners (AHPs) was paramount, and drove us to innovate and provide outstanding service and product options as our customers exercised choice and control over their AT and supplier.

I went on to found Seating Dynamics, which introduced me to the world of AT sourcing, importation and wholesaling. I then headed up Invacare Australia and Invacare Asia, larger but similar importing/wholesaling businesses. During this period I gained a broad understanding of the varied business models and specialities that existed throughout the AT retail sector and the need for wholesalers to be flexible and adaptable to support these retailers. Metropolitan vs rural, complex products vs standard products, larger vs smaller businesses – made all the more difficult by having to service the small Australian population spread over great distances, coupled with the absurd complexity and variety of the state, territory and federal AT funding schemes.

My 51 years of using AT and 22 years working in the industry have taught me a great deal about what works well and what does not. I believe –

- AT is a service based industry that involves a great deal of hands-on time including client and carer training, training/education of AHPs, AT trials, free advice, AT customisation and setup, service, maintenance etc. The resulting hardware is the output of this myriad of services and without these services the AT simply will not deliver what the client needs.
- The high level of specialised skills and technical capabilities of AT suppliers is rarely understood nor is the extent that these skills are essential to delivering optimal AT solutions.
- It is not a particularly profitable industry.
- An effective partnership between clients/families, AHPs and suppliers is the cornerstone of ensuring optimal AT outcomes.
- AT is a primary enabler and the right AT saves money by reducing health risks, increasing independence, supporting social participation (including return to work) and reducing carer support levels.
- It can be challenging dealing with people and families with complex needs, often at difficult periods of their life following the recent onset of disability or decline in their physical and/or emotional state.
- Many of the state/territory AT schemes have significant dysfunctional aspects and are propped up by consumers, AHPs and AT suppliers going the extra mile to achieve a solution.
- One size cannot fit all – what appears to work in a state like South Australia may well be disastrous in Queensland.
- Small differences matter – to the uninformed there may be no real difference between (for example) similar models of custom, lightweight manual wheelchairs but experienced users understand minor differences can have dramatic impacts on what their AT delivers for them.
- Many of the attempts by state/territory AT funders to drive costs down by contracted, limiting procurement arrangements do not work optimally, transfer costs to other parties and cause a great deal of frustration and anxiety for consumers, their families, AHPs and suppliers.

The NDIA's paper gives me many grounds for concern. Although promoting empowerment, choice and control it goes on to recommend a very patronising model where someone else will select what AT I can have and from which suppliers I can source it. The paper focuses on touted savings alleged by the state/territory funders and champions these with little mention of consumer outcomes, no serious analysis of the problems that stem from the pursuit of these savings and no recognition of the transfer of cost to consumers and their families, AHPs and AT suppliers.

Recent tenders issued by the state/territory funders have led to some alarming behaviour by AT suppliers as they participate in a race to the bottom in terms of price and service. In some states multiple suppliers are now needed to fulfil an individual's AT solution when previously their supplier of choice could generally supply it all, albeit at a slightly higher price. Nowadays the business that has the wheelchair contract does not have the cushion contract or the seat back contract and so cost and complexity have unsustainably increased making it near impossible to coordinate a comprehensive trial. Consumers and AHPs in some rural areas are finding it very difficult to even obtain a trial because their local AT supplier is not on the contract for a given product.

Once the AT package is defined and sourced from multiple suppliers, which supplier is responsible for the final configuration, adjustment and customisation? Who is accountable if the AT package is unsuitable? Where does the user go when they need service and spares?

There is one notable instance of a business successfully tendering a price so low that winning the tender contributed to the complete failure and closing of their retail outlet in a major capital city. The business has elected to continue servicing the contract via a 3rd party selling at prices below cost – this cannot be sustained and will not be repeated but may well be included in the calculated savings championed throughout the NDIA's paper.

Any serious analysis of the purported savings achieved by the state/territory schemes must include a thorough understanding of the associated failures, inefficiencies and transfer of costs to others.

Increasingly it appears that AT procurement initiatives are being designed and implemented by those whose core skill sets are contract design, negotiation, compliance, sourcing and logistics without in-depth knowledge of how the complex process really works best at the coalface of AT provision.

It should be noted that people with disability have established a significant number of the smaller, very specialised suppliers. Mandy Bonvita (Goodlife Medical), Danny O'Neil (Mobility Plus), Shane Hryhorec (Push Mobility), Michael Nugent (Surgical Engineering), Bill Georgas (Problem Management Engineering), Michael Callahan (Mogo Wheelchairs), Dion Reweti (Wicked Wheelchairs), Greg Skipper (GDS Mobility), Michael de Santo (Dynamic Wheelchair Solutions) and Ray Saad (Wheelchair Sales) - all entrepreneurs with disability running small businesses providing specialised AT. These and many other AT businesses also employ significant numbers of people with disability in a wide variety of roles from sales to engineering.

Bulk procurement initiatives, extensive use of national contracts and the establishment of preferred suppliers will always benefit the larger AT suppliers, to the detriment of smaller businesses such as those mentioned above. It will inevitably lead to some smaller suppliers failing, a reduction in competition, service and specialisation, and increased prices.

However my main concern with the NDIA paper is that it is proposing a new hardware acquisition model without a comprehensive definition of how the essential associated services will be provided and who will pay for them. This is a disjointed, high-risk approach with significant potential to lead to failures in service levels, availability of specialisation, quality and participant outcomes. There is the real risk of cost blowouts for the NDIA and there will be significant delays while it is being developed, implemented and refined.

I may well be an industry dinosaur, but I can't help wondering what was so wrong with the bad old days when people with disability and their independent AHPs simply chose their own AT from suppliers keen to compete for their business. That simple approach, coupled with appropriate quality safeguards, price guidance and surveillance, and penalties for suppliers that are proven to unreasonably inflate prices would be a model well worth pursuing and far more consistent with the rest of the NDIS.

I am happy for my response to be made public but kindly remove my personal contact details.

Yours sincerely,

Chris Sparks